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(202) 672-0013, TELEX: 69843

125 NORTH AVENUE, PALM BEACH, FLORIDA 33480
(305) 833-1040, TELEX: 803454

WHITE & CASE
14 WALL STREET
NEW YORK, N.Y. 10005
(212) 732-1040
TELEX: 126201

20 PLACE VENDÔME, 75001 PARIS, FRANCE
260 34 09, TELEX: 220242

66 GRESHAM ST., LONDON ECV 7LB, ENGLAND
726-0381, TELEX: 884787

2 ICE HOUSE STREET, HONG KONG
8-263081, TELEX: 83204

80 RAFFLES PLACE 222-01, SHELLE TOWER, SINGAPORE 0104
225-8000, TELEX: 22680

JPL:RAL

February 6, 1984

Clerk of the Court
Supreme Court of the United States
One First Street, N.E.
Washington, D.C. 20543

RECEIVED

FEB - 9 1984

OFFICE OF THE CLERK
SUPREME COURT, U.S.

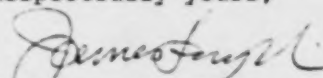
Re: National Association of Recycling Industries,
Inc., et al. v. American Mail Line, Ltd., et
al., Docket No. 83-1200

Dear Sir:

We are counsel to Waterman Steamship Corporation, a respondent in the above action. We are writing to advise you and all parties to this matter that on December 1, 1983 Waterman filed a petition for reorganization under Chapter 11 of the United States Bankruptcy Code. Enclosed is a copy of the petition and of the certificate of filing. Pursuant to 11 U.S.C. §362 all actions pending against Waterman at the time of the filing are stayed and any attempts to proceed further against Waterman with respect to any such action are null and void.

Please contact us if we can be of any assistance and provide any further information.

Respectfully yours,


James P. Laughlin

Enclosure

cc: John P. Meade, Esq.
Edward L. Merrigan, Esq.
Thomas E. Kimball, Esq.
Robert J. Wiggers, Esq.
Robert S. Zuckerman, Esq.
Reed M. Williams, Esq.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
In re : In Proceedings For
WATERMAN STEAMSHIP CORPORATION, : A Reorganization
Debtor. : Under Chapter 11
Employer I.D. No. 63-0220-640 : Case No. 83 B 11732 (HCB)
----- X
: PETITION

1. Petitioner's mailing address is 120 Wall Street, New York, New York 10005, New York County.

2. Petitioner is a New York corporation and has been domiciled in the State of New York for the one hundred eighty days immediately preceding the filing of this petition.

3. Petitioner is qualified to file this petition and is entitled to the benefits of title 11, United States Code as a voluntary debtor.

4. Petitioner intends to file a plan pursuant to chapter 11 of title 11, United States Code.

5. Exhibit A is attached to and made a part of this petition.

WHEREFORE, Petitioner prays for relief in accordance with chapter 11 of title 11, United States Code.

Dated: New York, New York
November 30, 1983

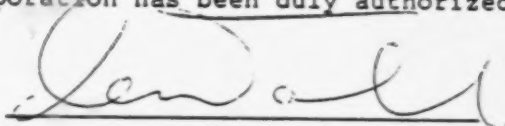
WHITE & CASE
Attorneys for Petitioner

By John C. Case
A Member of the Firm
14 Wall Street
New York, New York 10005
(212) 732-1040




checked
12-6-83

I, Edward P. Walsh, President and Chief Executive Officer of the corporation named as petitioner in the foregoing petition, certify under penalty of perjury that the foregoing is true and correct, and that the filing of this petition on behalf of the corporation has been duly authorized.



Sworn to before me this
7th day of November, 1983



Notary Public

ALLAN L. GROPPER
NOTARY PUBLIC, State of New York
No. 31-66-0600
Qualified in New York County
Commission Expires March 30, 1984

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - X
In re : In Proceedings For A
WATERMAN STEAMSHIP CORPORATION, : Reorganization Under
Debtor. : Chapter 11
Employer I.D. No. 63-0220-640 : Case No. 83 B
: EXHIBIT A TO PETITION
- - - - - X

1. Petitioner's employer's identification number
is 63-0220-640.

2. Petitioner's securities are not registered
under Section 12 of the Securities and Exchange Act of 1934.

3. The following financial data is the latest
available information and refers to petitioner's condition
as of October 31, 1983:

a. Total assets:	\$228,402,798
b. Total liabilities:	\$242,391,666
Secured debt, excluding that listed below	\$113,299,000
Debt securities held by more than 100 holders	0
Other liabilities, excluding contingent or unliquidated claims	\$ 78,549,000
Number of shares of common stock	400

See also Exhibit "C" annexed to Affidavit Under Local Rule XI-2 for additional financial data and information which refers to petitioner's condition.

4. The following is a brief description of petitioner's business: Waterman Steamship Corporation is engaged in the operation of eight United States flag cargo vessels in the foreign commerce of the United States pursuant to Operating-Differential Subsidy agreements with the United States Maritime Administration.

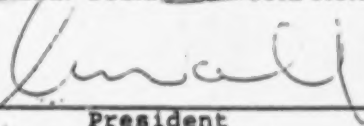
5. The name of any person who directly or indirectly owns, controls, or holds, with power to vote, 20% of petitioner is:

Waterman Marine Corporation, a Delaware corporation owns 100% of the common stock of petitioner.

6. Petitioner owns all of the stock of the following subsidiaries which are largely inactive or in the process of being liquidated: Waterman Corporation of California, Waterman Lines (Antwerp), S.A., Waterman Lijnen (Rotterdam) B.V., and Waterman Linien (Bremen) GmbH.

WATERMAN STEAMSHIP CORPORATION

By



President

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - X
In re : In Proceedings For a
WATERMAN STEAMSHIP CORPORATION, : Reorganization Under
Debtor. : Chapter 11
: Case No. 83 B
:
- - - - - X

AFFIDAVIT UNDER LOCAL RULE XI-2

STATE OF NEW YORK)
: ss.:
COUNTY OF NEW YORK)

EDWARD P. WALSH, being duly sworn, deposes and
says:

1. I am President and Chief Executive Officer of
Waterman Steamship Corporation ("Waterman") and am familiar
with the assets, liabilities and business of such corporation.

2. The information contained herein is submitted
in connection with the chapter 11 petition of the above-cap-
tioned debtor filed simultaneously herewith. Waterman is a
New York corporation with its principal place of business at
120 Wall Street, New York, New York 10005. The information
is set forth on a consolidated basis for Waterman and four
subsidiaries, Waterman Corporation of California, Waterman
Lines (Antwerp) S.A., Waterman Lijnen (Rotterdam) B.V., and
Waterman Linien (Bremen) GmbH, which are inactive or in the
process of being liquidated.

3. There is no other or prior bankruptcy proceeding pending.

4. The debtor has annexed hereto a list of its 20 largest unsecured creditors, excluding creditors who would not be entitled to vote at creditors' meetings, creditors employed by the debtor, and insiders.

5. There are no suits pending against the debtor or its property in which a judgment or seizure of property is known to be imminent.

6. There is no property of the debtor in the possession or custody of any public officer, receiver, trustee, assignee for the benefit of creditors, mortgagee, pledgee, assignee, liquidator or secured creditor, except for certain special funds and deposits set aside by the debtor in the course of its business and held by certain creditors.

7. Waterman has outstanding \$88,748,000 in various Title XI U.S. Government Guaranteed Ship Financing Bonds and Notes, held by less than 100 holders at October 31, 1983. Waterman has 400 shares of common stock, no par value, all owned by Waterman Marine Corporation.

8. Annexed hereto as Exhibit 1 is a schedule of the premises occupied by the debtor under a lease. No negotiations are ongoing relative to a modification of these leases.

9. Annexed hereto as Exhibit "2" is Waterman's consolidated Balance Sheet (unaudited) as at October 31, 1983. Waterman's approximate total assets and liabilities as of October 31, 1983, were \$228,402,798 and \$242,391,666, respectively.

10. Waterman desires to continue the operation of its business and the management of its property as a debtor in possession, and in connection therewith submits the following information:

(a) Waterman currently employs approximately 600 persons. The estimated amount of the payroll to employees, exclusive of stockholders, officers and directors, for a period of 30 days following the filing of the chapter 11 petition herein, is approximately \$550,000 for shoreside employees and \$1,500,000 in crew wages.

(b) The estimated amount currently being paid and proposed to be paid to Waterman's officers and directors for the 30 days following the filing of the petition is \$110,000.

(c) The debtor estimates that operating expenses for the 30-day period after the filing of the chapter 11 petition, exclusive of payroll, will approximate \$18,000,000.

(d) It is estimated that Waterman will break even for the period of 30 days following the filing of the petition.

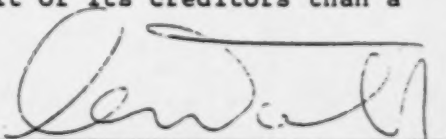
11. Waterman's financial difficulties and the reasons for filing a chapter 11 petition are attributable to the following circumstances. Waterman is engaged in the

operation of eight United States flag cargo vessels in the foreign commerce of the United States. Like many ocean carriers, Waterman has been severely affected by extreme downward pressure on freight rates. Over-capacity on its trade routes has blocked freight rate increases needed to meet current operating costs. In addition, crew wages and benefits, set on an industry-wide basis, have sharply increased overall operating expenses. Waterman is also faced with high financing costs on its two newest vessels. In combination, these factors have caused losses and a decline in working capital.

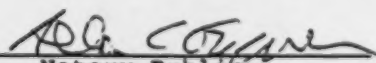
12. Waterman believes that it has important assets which can form the basis for a successful restructuring in the best interests of its creditors and stockholder. In particular, Waterman's eight vessels are among a handful of "LASH" ("Lighter Aboard Ship") vessels now in existence. A LASH vessel is a ship designed to carry 89 lighters (barges), with a large gantry crane capable of loading or unloading a fully-loaded barge weighing as much as 510 short tons. The shallow-draft barges are able to operate on rivers, in island chains and in harbors that are too shallow for larger vessels. The LASH vessels give Waterman a unique capability and have resulted in its being the largest United States carrier of natural rubber from Southeast Asia.

13. Waterman has also received a binding award from the Military Sealift Command of the United States Navy ("MSC") for the time charter of three "Ro Ro" (Roll-On/Roll-Off) vessels which Waterman formerly owned and which are now being modified to meet MSC specifications. The three vessels are currently required to be delivered on September 30, 1984, December 31, 1984 and April 30, 1985. The charter-hire payable under the charters, consisting of a component for capital sufficient to service long-term debt and equity and an operating component, will be very valuable to Waterman. The operating component, after deduction of operating expenses, is expected to be worth \$7.6 million per year for coverage of overhead and contribution to profit, and this amount will increase over the 25 year life of the charter.

14. In order for Waterman to earn the benefits of the MSC charters and to realize on the unique capabilities of its LASH vessels, it must remain in business and continue its operations. Given sufficient time, I believe the debtor will be able to propose a plan of reorganization which will realize far more for the benefit of its creditors than a precipitate liquidation.


Edward P. Walsh

Sworn to before me, this
30th day of November, 1983.


Notary Public
ALLAN L. GROPPER
NOTARY PUBLIC, State of New York
No. 31-66-0600
Qualified in New York County
..... ON 1984

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - X
In re : In Proceedings For A
WATERMAN STEAMSHIP CORPORATION, : Reorganization Under
Debtor. : Chapter 11
: Case No. 83 B
:
- - - - - X

LIST OF THE DEBTORS' 20
LARGEST UNSECURED CREDITORS

The following is a list of the debtor's creditors holding the 20 largest unsecured claims which is prepared in accordance with Rule 1007(d) for filing in this chapter 11 case. The list does not include (1) those persons who come within the definition of insider set forth in 11 U.S.C. § 101(25), (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims, or (3) governmental units, except that certain of the claims may be secured by maritime liens on the debtor's vessels. The amounts listed here are not to be taken as admissions of amounts due and owing. The debtor reserves its right to modify the figures on this table and to object to any corresponding claims at an appropriate time.

Exxon International Company 200 Park Avenue Florham Park, New Jersey 07932 Attn: Roland Dupont, Treasurer (201) 765-4336	\$2,423,880 Fuel
Marsh & McLennon, Inc. 1221 Avenue of the Americas New York, New York 10020 Attn: Ms. Louise Varnas (212) 997-5460	\$1,324,530 Insurance
Central Gulf Lines, Inc. International Trade Mart 2 Canal Street New Orleans, Louisiana 70130 Attn: Gene Vause (504) 529-5461	\$1,185,159 Charter Hire
Fred S. James & Co. P.O. Box 8191 Church Street Station New York, New York 10249 Attn: David Linforth (202) 747-6730	\$840,835 Insurance
Buck Kreibbs Co., Inc. P.O. Box 53305 New Orleans, Louisiana 70153 Attn: Earl Lagraize (504) 524-7681	\$822,272 Repairs
Ryan Walsh Stevedoring Co. P.O. Box 2188 Mobile, Alabama 36652 Attn: W.J. Colley (205) 438-4771	\$646,228 Stevedoring
Masters Mates & Pilots Plans P.O. Box 12600 Church Street Station New York, New York 10249 Attn: George Korba (212) 425-8530	\$576,268 Welfare & Benefit Plan

Swiftships Inc. P.O. Box 1908 Morgan City, Louisiana 70381 Attn: Tony Bergeron (504) 689-3428	\$562,127 Repairs
Chrysler Financial Corp. 900 Tower Drive Troy, Michigan 48098 Attn: Robert A. Link, Corporate Secy. (313) 879-3060	\$507,945 Charter Hire
Marine Engineers Beneficial Assoc. 11 Light Street Baltimore, Maryland 21202 Attn: Dave Flyer (301) 547-9111	\$469,894 Welfare & Benefit Plan
International Terminal Operations, Inc. 17 Battery Place New York, New York 10004 Attn: Hank Ingram (212) 709-0590	\$438,400 Stevedoring
Seafarers International Union Plan 5201 Auth Way Camp Springs, Maryland 20746 Attn: Jim Sexton (301) 899-0675	\$369,677 Welfare & Benefit Plan
T. Smith & Son, Inc. P.O. Box 2690 New Orleans, Louisiana 70116 Attn: John Viola (504) 524-0611	\$297,313 Towing
Algiers Iron Works & Dry Dock P.O. Box 6068 New Orleans, Louisiana 70114 Attn: Jack Oser (504) 362-6711	\$264,125 Repairs
Vemar Inc. P.O. Box 84278 Dallas, Texas 75284 Attn: Mr. McIntyre (713) 452-6769	\$232,999

Colle Towing Co.
P.O. Box 340
Pascagoula, Mississippi 39567
Attn: Charles McVay
(201) 762-5700

\$198,298
Towing

I.T.O. Corp. of Virginia
7737 Hampton Blvd.
Norfolk, Virginia 23505
Attn: Hank Ingram
(212) 709-0590

\$191,494
Stevedoring

Balehi Marine
P.O. Box 600
Lacombe, Louisiana 70445
Attn:
(504) 522-5586

\$177,660
Repairs

Manufacturers Hanover Leasing Corp.
270 Park Avenue
New York, New York 10017
Attn: Franklin E. Hawk, S.V.P.
(212) 286-6840

\$169,315
Charter Hire

Boland Marine & Mfg. Co.
P.O. Box 53287
New Orleans, Louisiana 70153
Attn: L. Carpenter
(504) 581-5800

\$160,779
Repairs

WATERMAN STEAMSHIP CORPORATION
Debtor and Debtor in
Possession

By: 

Exhibit 1

WATERMAN STEAMSHIP CORPORATION
Rental Agreements on Premises

<u>OFFICE</u>	<u>ANNUAL EXPENSE</u>	<u>TERM</u>
New York	\$ 311,362	01/01/75 - 11/30/89
Baltimore	14,499	06/01/83 - 05/31/84
Houston	43,558	01/01/82 - 12/31/84
San Francisco	18,737	-
Chicago	14,184	05/01/81 - 04/30/84
San Pedro	4,208	07/01/83 - 08/01/86
New Orleans	75,630	02/01/83 - 01/31/85
Mobile	149,152	11/01/81 - 10/31/84
Washington D.C.	75,061	07/01/82 - 06/30/87

WATERMAN STEAMSHIP CORPORATION
AND SUBSIDIARY CONSOLIDATED

BALANCE SHEET AS OF OCTOBER 31
(Unaudited)

<u>ASSETS</u>	<u>1983</u>
<u>CURRENT ASSETS</u>	
Cash	\$ 1,404,666
Account Receivable	
Related Companies	3,593,318
Traffic Accounts	22,922,879
U.S. Maritime Administration	6,000,000
Miscellaneous Outside	2,663,781
Insurance Claims Receivable	3,871,416
Prepaid Expenses	10,392,035
Inventories	725,457
Total Current Assets	<u>51,574,528</u>
<u>SPECIAL FUNDS AND DEPOSITS</u>	
Escrow Fund	106,789
Security Deposit	1,932,828
	<u>2,039,617</u>
<u>PROPERTY AND EQUIPMENT</u>	
Cost	201,058,308
Less Reserve for Depreciation	49,902,226
	<u>151,156,082</u>
<u>OTHER ASSETS</u>	<u>19,644,476</u>
<u>DEFERRED CHARGES</u>	<u>3,988,095</u>
TOTAL ASSETS	<u>\$228,402,798</u>
 <u>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)</u>	
<u>CURRENT LIABILITIES</u>	
Long Term Debt Due In One Year	\$ 9,076,240
Accounts Payable - Miscellaneous Outside	19,738,318
Accrued Liabilities	
Accrued Vessels Expense -	
Terminated voyages	12,536,615
Other Accrued Liabilities	8,074,341
Total Current Liabilities	<u>49,425,514</u>
<u>VOYAGES IN PROGRESS</u>	
Revenues	38,134,944
Expenses	15,033,811
	<u>23,101,133</u>
<u>LONG TERM DEBT LESS DUE IN ONE YEAR</u>	<u>150,228,255</u>
<u>NOTE PAYABLE - RELATED COMPANY -</u>	
<u>DUE AFTER ONE YEAR</u>	<u>2,000,000</u>
<u>OTHER LONG TERM LIABILITIES</u>	<u>1,329,040</u>
<u>DEFERRED CREDITS</u>	<u>3,954,893</u>
<u>OPERATING RESERVES</u>	<u>12,352,831</u>
<u>STOCKHOLDERS' EQUITY (DEFICIENCY)</u>	
Common Stock	300,000
Paid In Surplus	9,650,000
Retained Earnings (Deficit)	(23,938,868)
	<u>(13,988,868)</u>
TOTAL LIABILITIES AND	
STOCKHOLDERS'	
EQUITY (DEFICIENCY)	<u>\$228,402,798</u>

12/1/83

(2)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

WATERMAN STEAMSHIP CORPORATION

CASE NO. 83 B 11732 (HCB)

IN PROCEEDINGS FOR
REORGANIZATION UNDER
CHAPTER 11

Debtor.

-----X

CERTIFICATE OF FILING CHAPTER 11

I, EUGENE F. O'CONNOR, Clerk of the United States Bankruptcy Court for the Southern District of New York, do hereby certify that the above Debtor, on the 1st day of December, 19⁸³, filed a case under Chapter 11 of the Bankruptcy Code and/as of this date said case is still pending. The Debtor has been continued in possession of its property and management of this business and no trustee has been appointed

DATED: NEW YORK, NEW YORK

EUGENE F. O'CONNOR
Clerk, Bankruptcy Court

by: D. Sanzales
Deputy Clerk
Diana Gonzalez

Seal of the Court

